GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA

UNSTARRED QUESTION NO:3167
ANSWERED ON:17.12.2015
FDI in Aviation Sector
Ahlawat Smt. Santosh;Panda Shri Baijayant "Jay";Saraswati Shri Sumedhanand;Yadav Shri Om Prakash

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether the Government proposes to increase the Foreign Direct Investment in the aviation sector;

(b) if so, the details thereof;

(c) the steps taken/being taken by the Government to promote domestic sectors especially "un-served" airports in the country; and

(d) the details in respect of the 80: 20 funding model for infrastructure development of airports and the procedure adopted for identification of such airports?

Answer

Minister of State in the Ministry of CIVIL AVIATION
(Dr Mahesh Sharma)

(a) and (b): As per Press Note 12 (2015 Series) dated 24.11.2015, Department of Industrial Policy and Promotion (DIPP) has enhanced the foreign equity cap for Non-scheduled Air Transport Service and Ground Handling Services from 74% to 100. Further, Regional Air Transport Service (RSOP) has also been made eligible for Foreign Investment upto 49% under automatic route.

(c) : -Regional connectivity is one of the highest priority of the Government and the draft Civil Aviation Policy released in October, 2015 envisages revival of unserved or underserved aerodromes and airstrips.

(d): Government provides assistance to develop airport upto 20% of the project cost, in case of strategically important and financially unviable projects.